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Senate Republican Caucus Chair

Committees: Financial Institutions, Housing and Insurance; Health and Long-Term Care;
Ways and Means; Rules

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Dear Friends,

The first month of the legislative session is behind us. While there is a lot going on in Olympia, I want to spend a moment talking about the bigger picture. This is a time of great challenge for our state and our nation. At this point in the session, I feel like stepping back and assessing the situation.

The bigger picture

Legislators are regular people. I read the same papers and watch the same news that you do back home and I know that this is a very difficult time. We just received a new unemployment figure for January. At 7.6 percent, it's the highest in 15 years. Many people are fearful of losing their jobs, their homes and their retirement savings. Also, our state revenue collection continues to be less than projected.

At a time like this, it's important to focus on what we need and what we don't need. What we *don't* need are tax increases and bills that will cause more job losses.

What we *do* need is to bring state spending in line with revenues. Spending increased 33 percent in the past four years. Even with healthy revenue growth, that's a recipe for budget deficits. We are looking at a potential shortfall of \$8 billion for 2009-11; that figure represents about 20 percent of our current budget.

We were hoping to make significant budget reductions in the first week of session. The governor was hoping to make them by the end of the first month. Now we are almost halfway through February and we haven't made the reductions necessary to fix the problem before us.

This week Sen. Zarelli, ranking Republican on the Senate budget committee, issued a new **Budget Tidbits** on the need to tackle the supplemental budget right away to achieve additional savings in the 2009-11 budget. You can read it [here](#). There were editorials this week in the [Seattle Times](#) and [News Tribune](#) calling for faster action on the budget as well.

It's time for the Legislature to focus on the task at hand. We can't rely on one-time federal stimulus funds to balance the budget and pay for ongoing spending. That will only make our future budget problems more difficult.

Senate approves 'mini' supplemental budget

Today the Senate passed House Bill 1694 that reduces state spending by \$291 million in the 2007-08 biennial budget. That number may seem big but in the bigger picture this reduction in spending falls short by \$600-\$700 million of what likely will be necessary to close the funding gap. The bill also contained policy changes that increase entitlements and commit the state to more spending in the long term. We just don't have the funds to make more spending commitments right now, especially when we are talking about cutting services for the most vulnerable. The bill passed with 30 voting yes; 18 voting no.

Senate OKs increase in weekly unemployment benefits

[House Bill 1906](#), which passed the House of Representatives on Feb. 6, provides for a temporary increase in unemployment benefits by adding \$45 to the weekly benefit amount, making the minimum weekly benefit \$155. The increase would take effect in May, the earliest the state Employment Security Department could implement it, and would remain in place until Jan. 3, 2010. Yesterday the Senate approved HB 1906 with an amendment to protect agriculture and retail businesses by spreading the cost of the benefit increase. HB 1906 passed the Senate 43-4. You can watch the debate on HB 1906 [here](#) at about 27 minutes into the video. The measure now goes back to the House of Representatives for concurrence with the amendment.

Because of Washington's high unemployment rate, the Employment Security Department is encouraging people to apply for benefits online at www.esd.wa.gov in addition to calling 800-318-6022. The phone system has automated features that may be helpful.

New report shows health care proposal would cover more people with no cost to state

A new report presented to the Legislature this year shows [Senate Bill 5052](#), a bill I am sponsoring this year, would cover nearly 60,000 more young adults in Washington *at no cost to the state*. The bill would permit insurance carriers to design a special coverage plan for young adults ages 19 to 34 with their particular needs in mind.

Today insurance plans sold in Washington must by law cover more than 50 types of services and providers, and the price tag reflects that extensive coverage. A host of other states, including California, Colorado, Connecticut, Georgia, New Hampshire and Nevada, allow young adults to purchase these types of tailored plans. More than 75 percent of young adults enrolled in these plans were previously uninsured. In these budget times it is critical to consider ideas like this one that will meet our goals without costing the state money.

Here are couple additional key facts about SB 5052:

- To ensure that young people are covered for pregnancy, SB 5052 requires that if someone on the plan becomes pregnant she could be moved without a waiting period onto a plan that covers pregnancy.
- When a similar plan was introduced in California 33,000 young adults signed up for the program in the first nine months.

In this tough economy, with more young people facing the possibility of being out of work, it is critical to make sure there are affordable health care policies available for them to purchase. **SB 5052 is scheduled for a hearing on Feb. 18 in the Senate Health and Long-Term Care Committee.**

Hydropower: the key to affordable energy

Hydroelectric power is not recognized as a renewable resource in our state. That matters to you because energy companies are required by law to get a certain percentage of their power from renewable resources. Since hydro doesn't count, they must purchase renewable power elsewhere, which makes it more expensive for you to heat your homes and for companies to do business in Washington.

I've been working for many years to recognize hydropower as a clean, renewable resource and have co-sponsored several bills again this year to accomplish that goal. All of these bills were heard in the Senate Environment, Water and Energy Committee on Feb. 4.

- [Senate Bill 5840](#) – Makes Washington's energy standards more consistent with other Western states;
- [Senate Bill 5137](#) – Expands renewable energy sources;
- [Senate Bill 5280](#) – Recognizes conservation achieved beyond targets;
- [Senate Bill 5505](#) – Provides a consistent definition for renewable or alternative energy sources; and
- [Senate Bill 5345](#) - Modifies renewable energy provisions.

Polls show Washington citizens support a constitutional amendment to require that spending and revenue line up every year

This year I co-sponsored [Senate Joint Memorial 8210](#), a measure that would limit state spending to projected revenues. A poll conducted by Moore Information showed that 73 percent of survey respondents would definitely support such an amendment. SJR 8210 is in the Senate Ways and Means Committee, but has not been scheduled for a public hearing.

In closing...

Thank you again for the opportunity to represent you in the Legislature as your state senator. I hope that if you are visiting Olympia you will stop by and say hello. I always enjoy seeing friends and neighbors from home.

All the best,

Linda

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